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# Leadership lessons from the mining greats

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## Which traits make for a successful leader in the mining industry?

Enough has been written about leadership over the years to fill several libraries. Yet it has always astonished me how little has been written by people with the long-term track record of success to warrant being considered an authority.

Once you eliminate the learned tomes of academics and the rapidly published, slim volumes by the one-hit wonders, you're left with very few books that have stood the test of time. For every *Good to Great*, there's a hundred titles like *Build Your Business the Friends Reunited Way*.

So, when I decided to write a research report on the traits that make for a successful leader in the mining industry, I wanted to ask some of the most respected names in the sector with years of success under their belts. Which is how I came to be sitting down with the likes of Lukas Lundin, Rick Rule, Maryse Belanger, Ross Beaty, Ian Pearce, Catherine McLeod Seltzer, Hugh Morgan, Mark O'Dea, David Netherway and investor Jim Mellon to discuss the traits and approaches that have helped them become and remain so successful.

While each interviewee had his or her own unique story to share, I was struck by the commonalities that emerged. And although I don't believe there can be a foolproof blueprint for success, it would be folly to ignore the collective wisdom of this group of luminaries.

# What unites the great mining leaders?

Many of the leaders I spoke to had family connections with mining, some going back more than one generation, and most confessed to a childhood interest in the great outdoors, leading to the study of geology at university. But it was the decisions they made after joining the industry that secured their long-term success.

I've identified seven themes that were mentioned by all or most of the interviewees.

## 1. Mentors

Stratum's earlier research report, *The Lost Leaders*, revealed a haemorrhaging of leadership talent from our industry, because of either baby boomers hitting retirement age, reduced levels of loyalty, or mining companies taking a myopic (or in some cases desperate) decision to shed senior talent. The potential value of older leaders as mentors is often overlooked when such decisions are made.

Yet when we surveyed more than 900 mining professionals for another report, *The Demographic Time Bomb*, 89 per cent said that mentoring schemes were extremely or very important for the long-term survival of their organisation, with those in their twenties most likely to consider mentoring 'extremely' important.

Our group of great leaders would undoubtedly agree, as each spoke warmly about individuals who had guided or encouraged them early in their careers: from John Dunlop, the no-nonsense mining engineer who inspired David Netherway when he was still at university, to Arthur Rue at Collins House, who took a young Hugh Morgan under his wing and gave Morgan his first big project. Maryse Belanger told me she had found mentors useful throughout her career, up to and including senior VP level. Mentors matter.

Yet less than a quarter of the firms we surveyed for the *Demographic Time Bomb* had a formal mentoring program in place.

The lack of a formal program, however, would not have deterred our interviewees, many of whom actively sought out the people they wanted as mentors.

Catherine McLeod Seltzer modestly attributed the mentor support she attracted to luck, but as I dug deeper into the background it was clear she had worked relentlessly at attending the right events where she might meet the people who could help. And in doing so, Catherine said she established support networks and friendships that have lasted a lifetime.

## 2. Hard work

Those who have any illusions that the pathway to leadership success is easy would have been disabused of that notion by listening to any one of my conversations. All the interviewees shared stories of putting in long hours and immense effort from the start of their careers and how this attracted the attention of sponsors, mentors and investors.

Ian Pearce told me how he demonstrated he was a good investment by focusing his time and effort on delivering measurable results in priority areas. This led to him being put on to a prestigious development program and subsequently leading a high-profile project in West Bloemfontein, South Africa, which he described as the biggest break in his career.

The management cliché has it that we should all work smarter rather than harder. My personal observation is that to get truly established, it is necessary to do both.

## 3. Hands-on experience

The industry figures I interviewed expressed a high opinion of the following generations of leaders, and admiration for their technical skills and acumen. Yet there was a commonly shared frustration that many graduates entered the profession with an undisguised sense of entitlement to bypass working on the ground and head straight to the executive offices.

It might be tempting to write this off as a form of casual ageism from the old guard. But as a mining executive search specialist who, by a whisker, can be categorised as a 'millennial', I can add that I often see this trait in aspiring leaders myself.

Such a desire for a shortcut to leadership misses the significant benefits of 'boots on the ground' operational experience.

The understanding of how the industry works that is developed in operations cannot be replaced in the classroom and can be critical in establishing leadership credibility. Hugh Morgan, for example, shared a long list of skills he developed in operational positions, from supply chain management to handling a wide range of personality types.

Like several others, Hugh also advocated getting this experience at the start of a career in mining, ideally before marriage and family, to avoid the inevitable heartache of separation for long periods.

## 4. Patience

The impatience to fast track into leadership and expect instant success was also seen as a great weakness in an industry where a change in cycles and fortunes can take a decade.

Catherine McLeod Seltzer told me how she had patiently sat through brutal industry cycles during her career, biding her time, while both Rick Rule and Jim Mellon attributed their investment successes to having the patience to wait for the bottom of the market and look for long-term returns.

It's a philosophy that aspiring mining leaders would do well to apply to their careers. Mark O'Dea wasn't joking when he described himself to me as a ten-year overnight success. In fact, a closer analysis of his career revealed that his greatest successes came when he was already twenty years into his career.

In my experience, the most successful mining professionals are those who use the quieter periods that come in any career to extend their network and develop their skills. For many, the greatest challenges prepare them for their greatest successes.

## 5. Mistakes

One story Rick Rule shared was particularly memorable. Rick is often approached for project investment and he assesses the potential risks and benefits, recognising that very few investment cases will provide a positive return. He's an astute investor who is prepared to accept that risk. His ire, though, is reserved for those people who secure his investment for one project and then lose it pursuing a different course of action.

Experience tells us that any career will have its fair share of mistakes, and all the people I interviewed were open about their mistakes and positive about the learning they gained. Lukas Lundin made the reasonable point that the only shame in making a mistake is if you make the same one again.

The mining industry, more than most, should inherently understand the need to explore, test and analyse success and failure and apply the learning. Perhaps it's time we applied this as much to people as we do to projects.

## 6. Communication

History's greatest leaders had the power to communicate a vision compellingly and clearly, and this is as true in our industry as anywhere. There are natural communicators out there, such as Ross Beaty and Rick Rule, whom I've seen hold an audience of seasoned miners spellbound. But I think some of the skills can be learned.

Clarity of communication can also help to secure opportunities that might otherwise pass you by. David Netherway told me he left university with a very clear idea of the experience he wanted to gain (in operations) and the skills he wanted to develop in his first few years. His clarity of vision and purpose not only impressed his employers, it also placed him firmly on the track to leadership.

## 7. Nurture talent

Ian Pearce highlighted one of the differences between leaders and administrators succinctly. Administrators see up-and-coming talent as threats, and try to control or suppress them. Leaders encourage and support talent as a way of ensuring their own success.

Just as the participants in this research had benefited from mentors in their own careers, each one has been generous in helping the next generation of leaders to succeed.

This is not to suggest that sentimentality plays any part; our leaders are direct in addressing consistent underperformance. But equally they are generous in rewarding well, sharing credit and looking out for new talent. Lukas Lundin, for example, said much of his success came from surrounding himself with some of the best exploration experts in the business, while Rick Rule described the role of the CEO as an assembler of talents.

# Conclusion – sustained success takes more than luck

One theme that emerged throughout the conversations was the fact that everyone I interviewed had enjoyed a track record of success that could not be attributed to good fortune – a pattern Ross Beaty described as serially successful.

It's been said that any lucky person can do it once; the genius comes in doing so again and again. By focusing on the experience of those who have demonstrated that ability to repeat, I believe the traits we've identified correlate reliably with leadership excellence.

Whether we've managed to develop a definitive list of the factors that make the difference between good leaders and great ones can be debated. But the seven areas I've included here were consistently highlighted by some of the best leaders in the business and as such, offer a good place to start.

Stratum International's report *On the Shoulders of Giants: Leadership Lessons from Mining Greats*, which includes edited transcripts of Will Coetzer's conversations with industry leaders, is available for download on the Stratum International website: <https://stratum-international.co.uk/market-reports-data/on-the-shoulders-of-giants/>